



# NEWSLETTER

NORTH CAROLINA DISTRICT OFFICE

July 2006

## **Steven C. Preston, 22<sup>nd</sup> Administrator of the SBA**

Steven C. Preston was sworn in Monday as Administrator of the SBA. Preston is a former business executive with experience in financial management and executive leadership.

Until recently, Preston was Executive Vice President of The ServiceMaster Company, a major franchising organization with thousands of small businesses in its network. Preston also had served as Chief Financial Officer. He previously had been Senior Vice President and Treasurer of First Data Corporation, and an investment banker at Lehman Brothers.

He currently serves as vice chairman of the Board of Visitors for the Weinberg College of Arts and Sciences at Northwestern University, and has served on numerous boards of philanthropic and other organizations.

Go to [www.sba.gov](http://www.sba.gov) to view the administrators' welcoming video. Join the SBA in welcoming our new man at the helm.



## **Small Businesses Garner \$79.6 Billion In Federal Contracts**

For the first time in history, small businesses received a record-breaking \$79.6 billion in federal prime contracts, \$10 billion more than the year before.

The contracts represented 25.4 percent of federal prime contracting dollars in FY 2005, surpassing the overall government statutory goal of 23 percent for the third consecutive year. Participants in the SBA's 8(a) Business Development received \$10.5 billion in contracts, a 25 percent increase over the previous year. Firms in the Historically Underutilized Business Zone (HUBZone) program received \$6.1 billion in contracts, a 27 percent increase over the previous year.

Contracting dollars awarded to women-owned small businesses increased by \$1.4 billion to a record \$10.5 billion, a 15 percent increase over the previous year.

Contracts to service-disabled veteran-owned small businesses increased significantly, reaching \$1.9 billion, up from \$1.2 billion in FY 2004 and a 58 percent increase over the previous year.

For the full report, visit

[http://www.sba.gov/GC/goals/SmallBusinessGoalingReport\\_2005.pdf](http://www.sba.gov/GC/goals/SmallBusinessGoalingReport_2005.pdf).

For supplemental information on the data, visit

<http://www.sba.gov/GC/goals/DisclaimerstotheFY2005SmallBusinessGoalingReport.pdf>.

## Active Lender Rankings FY 2006 YTD: September 1, 2005 – June 30, 2006

	7(a)		504	504
Lender	Approvals	Gross 7(a) \$'s	Participation Loans	Participation \$'s
Bank of America	305	\$ 7,453,700		
Innovative Bank	233	\$ 2,770,000		
Business Loan Center	117	\$ 6,894,500	1	\$ 2,050,000
Capital One	105	\$ 4,090,000		
BB&T	61	\$ 11,210,770	11	\$ 5,788,250
Self Help Credit Union	54	\$ 2,531,550		
Wachovia	46	\$ 22,180,900	1	\$ 500,000
Surrey Bank & Trust	41	\$ 4,911,400	1	\$ 2,225,000
CIT	39	\$ 21,958,400	2	\$ 1,731,570
Bank of Granite	31	\$ 4,014,920	2	\$ 589,636
SunTrust Bank	20	\$ 1,280,900	6	\$ 4,373,188

Certified Development Corps.		
Self-Help Ventures Fund	44	\$ 22,042,000
BEFCO	26	\$ 10,228,000
Centralina Dev.	24	\$ 15,044,000

### Reminder: “Small Business Days” Schedule

The North Carolina District Office is offering “Small Business Days” at the following chambers. “Small Business Days” will offer chamber members and other small business owners the opportunity to discuss SBA loan programs with an SBA Marketing and Outreach Specialist. The Chamber will schedule the appointments for the business owners.

Location	Day	Hours	Phone Number
Cary	Third Wednesday	10 a.m.- 2 p.m.	919-467-1016
Charlotte	Fourth Tuesday	9 a.m. - 4 p.m.	704-344-6563
Gastonia	Second Tuesday	9 a.m. - 1 p.m.	704-864-2621
Greensboro	First Tuesday	10 a.m.- 2 p.m.	336-510-1234
Hendersonville	Third Friday	10 a.m.- 2 p.m.	828-692-1413
Hickory	Third Tuesday	10 a.m.- 2 p.m.	828-328-6000 x224
Mooreville	First Thursday	9 a.m. - 2 p.m.	704-664-3898
Salisbury	Fourth Wednesday	9:30 a.m. - 2 p.m.	704-633-4221

## Small Business Loans

Does your client need a small business loan? Does he or she have a start up business and need a loan under \$15, 000? Do you know about the CommunityExpress Loan Program? These loans serve women, minorities, veterans and low to moderate income areas. Our training calendar is your source for the workshops in your area.

These workshops offer on the spot loan applications and assistance with the application. Local technical assistance providers are available to answer questions and accept applications.

Have you attended one of these workshops? Check out our web calendar for the workshop in your area. For more information on the CommunityExpress Loan Program and the technical assistance providers go to: [www.sba.gov/nc/nc\\_communityexpressnc.html](http://www.sba.gov/nc/nc_communityexpressnc.html).

## Business Opportunity or Not (from Business Know-How.com)

The headlines read: Work 6 hours/week. Earn 45K+/year. Must sell!  
Big \$\$\$. No competition. Low investment.

Too good to be true? It's easy to see why ads for business opportunities like those appeal to clients looking to make extra money. They promise good pay for little effort. But, as consumers who have answered these ads, and the Federal Trade Commission (FTC) have found, many business opportunity promotions are nothing but scams that take consumers' money up front and fail to deliver on the promises. What can the prospective business owner do to make sure this doesn't happen to them? Here are some helpful tips to pass on to your clients:

- Look at the ad carefully. If it claims buyers can earn a certain income, then it also must give the number and percentage of previous purchasers who achieved the earnings. If an earnings claim is there -- but the additional information isn't -- the business opportunity seller is probably violating the law.
- Get earnings claims in writing. If the business opportunity costs \$500 or more, then the promoter must back up the earnings claim in a written document. If it is a work-at-home or other business opportunity that involves an investment of under \$500, ask the promoter to put the earnings information in writing.
- Study the business opportunity's franchise disclosure document. Under the FTC Franchise Rule, most business opportunity promoters are required to provide this document to potential purchasers.
- The FTC requires business opportunity promoters to give potential purchasers the names, addresses and phone numbers of at least 10 previous purchasers who live the closest to the potential purchaser. Interviewing purchasers helps reduce the risk of being misled by phony references.
- Contact the attorney general's office, state or county consumer protection agency and Better Business Bureau both where the business opportunity promoter is based and where you live to find out whether there is any record of unresolved complaints.
- If the business opportunity involves selling products from well-known companies, call the legal department of the company whose merchandise would be promoted. Find out whether the business opportunity and its promoter are affiliated with the company.
- Consult an attorney, accountant or other business advisor before you put any money down or sign any papers. Entering into a business opportunity can be costly, so it's best to have an expert check out the contract first.
- Take your time. Promoters of fraudulent business opportunities are likely to use high-pressure sales tactics to get you to buy in. If the business opportunity is legitimate, it'll still be around when you're ready to decide.

## Give Us Your Success Stories

We are looking for borrowers to participate in the SBA's SUCCESS STORY program. Do you know an SBA client that meets the criteria below? Would you like to showcase your organization on our website? The Success Story Database is a listing of small businesses that have received SBA assistance.

This list is used to provide information on these small firms to local and national media. These newspapers, radio and TV stations may use this information for profiles, special interest and other types of stories. The SBA also uses this list to highlight local firms while doing radio and TV interviews.

Success story firms should:

- Be in business for at least 3 years
- Show an increase in the number of employees or growth in revenues
- Provide examples of contributions to the community

Please call Mike Ernandes at 704-344-6588 or e-mail [mike.ernandes@sba.gov](mailto:mike.ernandes@sba.gov) with the name and contact information of any firms that you think might be interested in increased media opportunities.

## Have You Viewed The SBA Training and Events Calendar?

Do your clients need to write a business plan? Learn how to advertise effectively? Need financing to start or expand their businesses? Our training calendar has workshops, classes, events and programs to meet your client's needs. New spring schedules will be starting. Have you surfed over lately?

## Training Activities and Events

Let us help you promote your training activities and seminars. We can post them to our website calendar. Four weeks lead-time is required. E-mail updates to [april.gonzalez@sba.gov](mailto:april.gonzalez@sba.gov) or call (704) 344-6811.

## Online Training

The North Carolina District Office offers SBA Programs and Services Training every Friday. From 9 to 10 a.m. and again at 12:30 to 1:30 p.m., an SBA District employee will provide live training through "Ready Talk" software. Your clients can call in and sign into the website for a live PowerPoint presentation.

SBA loan programs, counseling, and government contracting will be highlighted. This can be a useful tool for you to refer to your start-up clients. It can also be a refresher course for you and your fellow counselors.

Go to: [www.sba.gov/nc/trainonline.html](http://www.sba.gov/nc/trainonline.html) to register and for more information.

## North Carolina Resource Guide

The new 2006 resource guide, co-sponsored by Reni Publishing and the SBA, is available online for you and your client. Go to: [www.reni.net/guides](http://www.reni.net/guides) and click on North Carolina. We have the new guides in limited supply.

## Quote of the Month

Once you say you're going to settle for second, that's what happens to you in life.

-- John F. Kennedy

4<sup>th</sup> of July



The Declaration of Independence was officially adopted on July 4, 1776, a formal document that would tell Great Britain that the Americans had decided to govern themselves. The day was called, "Independence Day."

July 4th was singled out to mark the event of the United States establishing itself as a nation. Celebrate our independence!